

# SCHIP: Pander now, pay later

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It is astounding that they get away with it: demonizing those who resist or call for restraint in a proposed expansion of the federalized State Children's Health Insurance Program.

President George W. Bush vetoed the \$35 billion expansion plan last week, and of course, was tarred as a meanie who doesn't care for kids. One Democratic congressman had the audacity to make the bizarre claim that Bush wants to neglect children to pay for the war in Iraq, and if those kids grow old enough he wants to send them to Iraq to "get their heads blown off" for his "amusement."

House Speaker Nancy Pelosi repeatedly invokes "the children" as the guiding theme for the Democratic Congress. Those who run counter to this theme, of course, don't care for children.

This sort of demagoguery is ridiculous. And voters should never fall for it, but many will.

The SCHIP argument is about how far up the income scale the program should go, and to what degree it should be expanded. It is not about repealing the program, which has been around since 1997, but about how much expansion is appropriate.

The plan to expand the program by \$35 billion over five years would have made it available to an additional 10 million children. But it would have done so by raising income requirements to 300 percent of the federal poverty index.

The poverty line is \$20,650 in annual income for a family of four, so the concern is that the program could be expanded to households with considerably higher incomes. In Montana, the last Legislature approved an eligibility increase from 150 percent of poverty to 175 percent, making a four-person household with a \$36,138 income eligible.

That's all well and good. But what about households earning \$50,000? How about \$60,000 or \$70,000? At what point are we no longer talking about "poor kids"?

Fifteen states already enroll children whose families are at 200 percent of poverty level and at least one — New York — wants to go to 400 percent.

At some income level, families that currently purchase private health insurance for their children will have an incentive to go with the government program. That is shifting responsibility from individuals to the government. Make no mistake: It is a creeping form of socialized health care.

And there are profound, long-term costs in establishing an expectation of a government entitlement in an incrementally growing segment of the population. That type of expectation is what already ensures that SCHIP is with us forever. It is a program that will never be reduced, and will likely be expanded again and again by politicians who want to stay in the good graces of the ever-growing ranks who depend on the program.

At some point this becomes a problem, as many European countries are now discovering. France's unsustainable entitlement programs have been around for decades, and now there is stiff resistance to proposals for even modest curtailments. People don't want to give up their benefits; they prefer to leave the liability to future generations.

SCHIP is indeed helping "the children" now, but someday it will become their burden.